

Office of the
Legislative Fiscal Analyst

FY 2004 Budget Recommendations

Joint Appropriations Subcommittee for
Capital Facilities and Administrative Services

Utah Department of Administrative Services
Executive Director

Contents:

- 1.0 Summary
- 2.0 Issues
- 3.0 Programs
- 4.0 Additional Information

1.0 Summary: Executive Director's Office - Administration

The Executive Director's Office (EDO) provides financial management, strategic planning, organizational development, and public relations for the Department of Administrative Services. It is through the EDO that the Department plays a major role in the development of the State's system for information management. The Director serves on the State Data Processing Review Committee and coordinates the efforts of other programs as they relate to statewide applications.

	Analyst FY 2004 Base	Analyst FY 2004 Changes	Analyst FY 2004 Total
Financing			
General Fund	778,400	(1,600)	776,800
Transfers - Internal Service Funds	182,000		182,000
Total	\$960,400	(\$1,600)	\$958,800
Programs			
Executive Director	960,400	(1,600)	958,800
Total	\$960,400	(\$1,600)	\$958,800
FTE/Other			
Total FTE	9		9

2.0 Issues

2.1 EDO Employees

A primary role of the Executive Director is to ensure that programs are run efficiently and represent a critical need to the state. In accomplishing this task, the Executive Director's Office employs two auditors and three human resource analysts. The Auditors are funded through transfers from the Internal Service Fund because the bulk of their work deals with ensuring that service agencies are run as efficiently as possible.

3.0 Programs: Executive Director's Office - Administration

	2002	2003	2004	Est/Analyst
Financing	Actual	Estimated	Analyst	Difference
General Fund	797,400	778,400	776,800	(1,600)
Transfers - Internal Service Funds	203,000	182,000	182,000	
Total	\$1,000,400	\$960,400	\$958,800	(\$1,600)
Expenditures				
Personal Services	828,100	722,500	687,900	(34,600)
In-State Travel	800	1,000	1,000	
Out of State Travel	1,900	1,900	1,900	
Current Expense	151,400	147,300	181,900	34,600
DP Current Expense	18,200	87,700	86,100	(1,600)
Total	\$1,000,400	\$960,400	\$958,800	(\$1,600)
FTE/Other				
Total FTE	10	9	9	

*General and school funds as revised by Supplemental Bills I-V, 2002 General and Special Sessions. Other funds as estimated by agency

The Executive Director's Office (EDO) provides financial management, strategic planning, organizational development, internal auditing and public relations for the Department of Administrative Services. The client base for most state agencies is taxpayers – the primary customers for the Department of Administrative Services are other state agencies. The Director helps coordinate inter-agency cooperation on issues such as fleet consolidation, archival procedures and purchasing guidelines.

3.1 FTE Counts

The Executive Director's Office provides two internal auditors to monitor internal service fund divisions. Salaries for these auditors are paid through transfers from internal service funds. Auditing is an important function for the EDO, but the Analyst is concerned about the perception of employee growth. In contrast to ISF agencies, Legislative approval is not required to add FTEs to appropriated budgets. By hiring employees on the appropriated side and funding them through the rate structure, DAS is able to add FTEs in a way that is not available to other agencies. Ironically, these added employees are actually paid by other agencies through rates charged by the internal service fund. To ensure equity and to prevent the appearance of cost shifting, the Analyst recommends the following intent language:

It is the intent of the Legislature that FTE counts for the Executive Director's Office shall not exceed nine FTE and that no more than two FTE may be funded through transfers.

Performance Measures

The EDO reports that auditors completed 75 audits during 2002. However, the list provided below includes many things other than audits, including meetings and functions that appear to be part of other items on the list. The Auditing staff within EDO provides superb information that is very valuable both to the director, the legislature and its staff.

SUMMARY OF ACTIVITY

Work initiated, completed or ongoing:

Calendar Year 2002

- | | |
|--|---|
| <ul style="list-style-type: none"> ❖ Represented DAS in Alternative Dispute Resolution Council <ul style="list-style-type: none"> ➤ Compiled data on dispute resolution methodologies in divisions ❖ Represented DAS in MVRRC <ul style="list-style-type: none"> ➤ Provided information or facilitated discussions on various fleet is sued ❖ Represented DAS in Fleet Users Forum ❖ Attended CFAS Committee meetings ❖ Member of DAS Accident Review Committee ❖ Conducted monthly check on status of DAS employees' drivers licenses ❖ Developed information packets for legislators ❖ Discussed issues of concern with legislators ❖ Conducted Level IV Grievance hearings as DAS Exec. Dir. Designee <ul style="list-style-type: none"> ➤ conduct investigation ➤ conduct hearing ➤ draft memoranda of decision ➤ present recommendations to Exec. Dir. ❖ Reviewed DAS on-call expenses ❖ Conducted Debt Collection Hearings <ul style="list-style-type: none"> ➤ review and verify UDOT charges ➤ conduct investigation ➤ draft decision ❖ Completed monthly budget monitoring reports for submission to GOPB ❖ Drafted position papers and proposed language for needed changes to the Utah Code ❖ Draft briefing papers for in-coming Executive Director ❖ Completed reports for Purchasing and General Services <ul style="list-style-type: none"> ➤ Monthly report on office supplies purchases ➤ Report on purchases of mail services ❖ Performed Audit for DFCM on: <ul style="list-style-type: none"> ➤ Greenhouse ➤ Grounds keeping/snow removal | <ul style="list-style-type: none"> ❖ Drafted, reviewed and amended Division of Fleet Operations' Administrative rules for filing <ul style="list-style-type: none"> ➤ sought input from sister agencies on rules (Ex. Risk Mgmt on withdrawal of privileges and driver training requirements) ➤ continue to monitor feedback from agencies ➤ coordinate with fleet, agencies and admin rules in rule amendment process ➤ appeared before rules review committee ❖ Discussed vehicle "downgrade" issue with GOPB ❖ Proposed and developed fleet multi-tiered rate structure <ul style="list-style-type: none"> ➤ presented initial concept and analysis to DFO ➤ drafted position paper on vehicle utilization and changing rate structure ➤ worked with DFO on impact of state-wide implementation ➤ conducted meetings and discussions on proposed rate structure with rate committee working group ➤ attended rate committee meetings ❖ Investigated sale of surplus property by state employees <ul style="list-style-type: none"> ➤ Drafted memorandum regarding the investigation to Exec. Dir ➤ Assisted in amending rules/policies governing purchase by DAS employees |
|--|---|

SUMMARY OF ACTIVITY (cont.)
Work initiated, completed or ongoing:
Calendar Year 2002

- ❖ Discussed and assisted DFO with the following:
 - shuttle operations analysis
 - FTE issue between DFO and DPS
 - Radio installation issues – slow & low quality work
 - Conducted radio install strategy meetings
 - Conducted radio installation process review
 - Suggested changes to installation process
 - Conducted meetings involving DFO, ITS and DPS on coordinating issues
 - ❖ Extension or termination of vehicle sales contract
 - ❖ Public Safety vehicles
 - Payment for equipment upgrades
 - Cost comparison – pre-wired v. vehicles wired by radio shop
 - MOU between DPS and DFO
 - Transfer of responsibility of tracking equipment and costs for motor vehicle utilization
 - Reviewed general vehicle utilization data
 - Held coordination meetings with DFO re: vehicle utilization data
 - Determine type and format of data to present to agencies relative to vehicle utilization and efforts to right size the fleet
 - Coordinate 5% fleet reduction initiative
 - ❖ Conducted Surplus Property Annual Audit
 - Federal Surplus Property Program
 - State Surplus Property Program
 - ❖ Evaluated alternatives to existing Surplus Property Programs
 - meetings with DFO to discuss options to increase revenue
 - Reviewed surplus property operations in Higher Ed
 - Reviewed surplus property operations in Public Ed
 - Drafted DAS response to SB 1
 - ❖ Conducted audit of state motor vehicle auctioneer
 - ❖ Conducted research and analysis for SJR-15 regarding establishment of separate fleets within Departments of Public Safety and Corrections
 - ❖ Initiated annual audit of Division of Fleet Operations
 - developed audit program
 - strategic planning
 - Compliance with AFV mandates
 - Customer service
 - Daily motor pool utilization
 - UST regulatory compliance
 - Fuel pricing
 - CNG utilization
 - Desktop procedures
 - ❖ Conducted meetings with ITS re: need for asset management program and database development resulting from audit of telephone services.
 - ❖ Discussed possibility of reducing number of 4x4 in ITS and DFCM
 - ❖ Initiated review of software purchases not deployed at request of LAG
 - ❖ Acted as a resource to the State's Rate Committee
 - ❖ Coordinated a review of reimbursement rate for privately owned vehicles reimbursements
 - ❖ Coordinated a review of travel related expenses within DAS
 - ❖ Provided ad hoc support to various personnel within the EDO office for data query and analysis on a variety of topics
-

*Legislature should
monitor audits*

Given the long list of activities and the need to measure performance based on auditing, the Analyst recommends that performance measures be broken into type of work. Since the EDO responsibility affects the entire state in many cases through ISF rates and policy audits should be reported to the Legislature through the Co-Chairs of the Capital Facilities Committee. The Analyst believes that a monthly summary of audits combined with a year end report in the style of the Legislative Auditor General¹ would further the Legislature's understanding of DAS and state government. To accomplish this, the Analyst recommends adoption of the following intent language:

It is the intent of the Legislature that the Executive Director's Office shall provide a monthly update of audit activity including findings found and audits in progress. It is further the intent of the Legislature that beginning with the 2004 General Session the Capital Facilities and Administrative Services Appropriation Subcommittee shall review an Annual Report from the EDO Audit Staff as a key performance indicator.

¹ www.le.state.ut.us/audit/olag.htm

4.0 Additional Information: Executive Director's Office – Administration

	2000	2001	2002	2003	2004
Financing	Actual	Actual	Actual	Estimated*	Analyst
General Fund	738,200	803,600	797,400	778,400	776,800
Dedicated Credits Revenue	20,100				
Transfers - Internal Service Funds		143,300	203,000	182,000	182,000
Beginning Nonlapsing		12,200			
Closing Nonlapsing	(12,200)				
Total	\$746,100	\$959,100	\$1,000,400	\$960,400	\$958,800
Programs					
Executive Director	736,600	959,100	1,000,400	960,400	958,800
Capitol Connections	9,500				
Total	\$746,100	\$959,100	\$1,000,400	\$960,400	\$958,800
Expenditures					
Personal Services	583,200	767,600	828,100	722,500	687,900
In-State Travel	1,300	1,600	800	1,000	1,000
Out of State Travel	2,900	3,400	1,900	1,900	1,900
Current Expense	147,800	162,400	151,400	147,300	181,900
DP Current Expense	10,900	24,100	18,200	87,700	86,100
Total	\$746,100	\$959,100	\$1,000,400	\$960,400	\$958,800
FTE/Other					
Total FTE	10	10	10	9	9

*General and school funds as revised by Supplemental Bills I-V, 2002 General and Special Sessions. Other funds as estimated by agency.